

**CITY COUNCIL MINUTES**  
**November 10, 2008**  
**REGULAR SESSION**

The Regular Session of the Auburn City Council was held in the Council Chambers, City Hall, 1225 Lincoln Way, Auburn, California on Monday, November 10, 2008 at 6:00 p.m. with Mayor Keith Nesbitt presiding and City Clerk Joseph G.R. Labrie recording the minutes.

**CALL TO ORDER**

**ROLL CALL:**

**Council Members Present:** Bob Snyder, Kevin Hanley, J. M. Holmes, Bridget Powers, Keith Nesbitt

**Council Members Absent:** None

**Staff Members Present:** City Manager Robert Richardson, City Attorney Michael Colantuono, Community Development Director Will Wong, Fire Chief Mark D'Ambrogi, Public Works Director Jack Warren, Administrative Services Director Andy Heath, Administrative Manager Joanna Belanger, Police Chief Valerie Harris

By **MOTION** adjourn to a closed session under Government Code Section 54957.6: **MOTION: Holmes/Powers/Approved by Voice**

**CONFERENCE WITH LEGAL COUNSEL**

The City Council/Agency finds, based on advice from legal counsel, that discussion in open session will prejudice the position of the local agency in the litigation.

**Initiation of Litigation:** One case

**REPORT OUT OF CLOSED SESSION**

No reportable action.

**PLEDGE OF ALLEGIANCE**

Mayor Nesbitt announced that members of Boy Scout Troop No. 277 would lead the Pledge of Allegiance.

## **MAYOR'S COMMENDATIONS/PROCLAMATIONS/ACKNOWLEDGEMENTS/ ANNOUNCEMENTS**

Mayor Nesbitt congratulated Dr. Bill Kirby on his election to the City Council. He also thanked the citizens of Auburn for returning him to the Council for another four years.

## **AGENDA APPROVAL**

The agenda was approved as presented by consensus of the Council.

## **CONSENT CALENDAR**

City Attorney Colantuono recommended that Item 4 be approved, but asked that Council authorize the City Manager to request some changes to the document to avoid liability. He said the changes should "either obligate PG&E to take the bridge down by a certain time or obligate them to indemnify the City for any claims with respect to the bridge that arise otherwise."

Mayor Nesbitt requested Item 4 be removed from the Consent Calendar.

1. **Minutes**

By **MOTION** approve City Council Minutes of October 13, 2008.

2. **Chamber of Commerce Request for Economic Development  
Commission Funds for the Festival of Lights Parade**

By **RESOLUTION 08-140** approve the request from the Auburn Chamber of Commerce for \$1,000 in Economic Development Commission Funding in support of the Auburn 2008 Festival of Lights Parade.

3. **Planning Commission Vacancy**

By **MOTION** declare Mark Smith's seat on the Auburn Planning Commission vacant.

4. **Bridge Crossing PG&E's South Canal**

Item removed to follow Consent Calendar.

\*\*\*\*\* End of Consent Calendar \*\*\*\*\*

By **MOTION** approve the Consent Calendar excluding Item. 4. **MOTION:  
Holmes/Snyder/Approved 5:0**

4. **Bridge Crossing PG&E's South Canal**

By **RESOLUTION 08-141** authorize the Director of Public Works to execute a Bill of Sale with Pacific Gas and Electric Company (PG&E) for the transfer of ownership of the bridge crossing PG&E's south canal from the City of Auburn to the Pacific Gas and Electric Company in the amount of one dollar and authorize the City Manager to amend the contract to allow for the timely destruction of the bridge or to indemnify the City for any potential liability. **MOTION: Hanley/Holmes/Approved 5:0**

5. **Public Comment**

William Chuck Archer, 425 Linden Avenue, stated that he was with the 49er Lions in Auburn. He said they would like to adopt the Auburn Park Preserve. He provided a proposal for Council review. He said he is also a Placer County Probation Officer working with a diversion group of 13 to 18 year old juveniles. He said the Lions would like to bring the Lions and the juveniles together to provide maintenance at the Auburn Park Preserve one Saturday a month. He said that Placer County would carry the insurance so that the City would not be liable for anything.

City Manager Richardson said that he had just learned of the proposition about a week ago. He said that early on in the project Administrative Manager Belanger was tasked to address volunteer solutions for maintenance and had successfully done so. He said the Lions plan would blend perfectly into the volunteer program at a very low cost.

City Manager Richardson said he would work with the service club to develop an actual scope of work which would be presented to the Council in the form of an agreement.

City Manager Richardson and Council Member Hanley expressed their appreciation for the 49er Lions Club's offer.

Council Member Holmes reminded the community that "today is the 133 birthday of the United States Marine Corps." He said a Veteran's Day Parade would be held the following day.

Council Member Holmes stated that a recent meeting was held about funding for transit needs. He said attendance was very low and, therefore, there appeared to be little concern from the citizens of Auburn.

Council Member Holmes requested a report from the Chair of the Auburn Arts Commission at the next regular meeting.

## REPORTS

### 6. City Council Committee Reports

None

## COUNCIL BUSINESS

### 7. Operating, Debt Service and Capital Project Budgets for Fiscal Year 2008-09

Administrative Services Director Andy Heath introduced the item. He outlined the budget for 2008-09. He said the contents of the budget are consistent with the priorities of the Council. He provided an overview of the budget preparation process, review of the city-wide budget, the general fund budget, capital projects, and budget highlights.

He said other revenues scheduled to enter into the general fund this year are \$460,000, which includes a one-time receipt of \$430,000 from the State of California Department of Transportation related to the Highway 49 relinquishment process. He said the Highway Beautification Fund transfer into the general fund is available due to fund closeout. He said the project never transpired and no expenditures have come out of the fund.

Council questions followed regarding the stand-by generator, the budgets of the Economic Development Commission (EDC), Arts Commission and Endurance Capital Commission, employer contributions to the Public Employees Retirement Systems (PERS), employee related costs and benefits, public safety budget increases, Highway 49 relinquishment funds, capital projects, grants from the Office of Traffic Safety, Police Department staffing, City Manager's Budget, Vintage Oaks Lift Station, Information Technology (IT) costs, and the position of City Manager's Administrative Assistant.

Mayor Keith Nesbitt asked the City Manager to create a Task Force to evaluate how the EDC, Arts Commission and Endurance Capital Committee can best spend their funds to benefit the community. Council Member Hanley suggested that, on an annual basis, the various Commissions present their budgets to the Council. Council Member Holmes suggested a workshop with the Commissions prior to presentation of the City's budget to the Council.

Dan Sokol, 1330 Deerwood Place, said he was satisfied with the budget. He said he did think the allocation to community services was too high. He said he thought the monies should go to Public Works. He said that a

couple of years ago the County provided funds for a vehicle for the Police Department activities. He asked how the money was spent. Chief Harris responded that the money was directed to the Regional Auto Theft Task Force for the specific purpose of dealing with increased auto thefts. She said the program continues to date.

Council Member-Elect, Dr. Bill Kirby stated that it was an excellent presentation of the budget. He said he would support the reinstatement of City Manager's Administrative Assistant position if the Council and Manager felt it to be appropriate.

Council Member Hanley stated that he was concerned that the one-time receipt of \$430,000 from Caltrans for the relinquishment of Highway 49 was put into the general fund. He said the intention of the money was for street and sidewalk repairs. He said the City is delaying the hard decisions that will have to be made since the \$430,000 will not be available next year. He said, "Although technically we have a balanced budget, it is not a sustainable balanced budget." He stated that the budget is actually \$430,000 out of balance. He said that although redevelopment funds can be used for Highway 49, the City still has to put 20% aside to build low-income housing. He said, "So, there is a tangible cost, when we make the decision to use redevelopment funds, instead of an unencumbered source."

- A. By **RESOLUTION 08-142** adopt revenue estimates and expenditure appropriations for all City Funds for Fiscal Year 2008-09 as summarized in the Fiscal Year 2008-09 Proposed Budget. **MOTION: Holmes/Snyder/Approved 4:1 (No Hanley)**
- B. By **RESOLUTION 08-143** establish a General Fund "cash reserve" in the amount of \$3,762,443. **MOTION: Holmes/Snyder/Approved 4:1 (No Hanley)**

8. **Middle Fork Project Resolution**

Council Member Hanley stated that he and Council Member Holmes brought the item to the Council. He said, when the County takes over the Middle Fork Project in 2013, the profits could help Auburn, Colfax, and the County's North Auburn Plant in the event it is decided to regionalize the water treatment system. He said the Supervisors have not declared their intent, but the monies would be helpful to finance a possible pipeline. He said he does not want a situation to arise in 2013 wherein the County Board of Supervisors puts 50% of the profits into the general fund and spends it on issues not related to water and electricity generation. He said, meanwhile, Auburn, Colfax and other residents will be paying ever-increasing sewer rates. He said this proposal is very important to

residents with regards to the amount they will be paying in the future for sewer charges.

Council Member Holmes said that he and Council Member Hanley agreed on the issue, but that it is not the Board of Supervisors' decision. It is a decision for the Board of Directors of the Placer County Water Agency (PCWA). He said PCWA "should be on board" with regionalization because it results in more water being recyclable for agricultural purposes and for resale. He said the County is projecting that 4,800 homeowners in North Auburn and Bowman will see their sewer fees increase from \$68 per month to \$118 or \$150 a month. Council Member Holmes said, "The cost should be bore by all of us." He said citizens should be "the recipients of the funds they have paid into for both PG&E and PCWA over the last 40 years." He suggested that, if approved, the resolution be signed by the Mayor and forwarded to the Chair of the Board of Supervisors and to the Chair of the Placer County Water Agency.

Council Member Snyder said, "This is the missing link in making the regional sewer happen." He said the funds could be available at about the time they are needed. He said the funds could be utilized to buy-down the bonds that City will have to sell to build the plant and then pay it off. He said it would decrease the impact to the existing ratepayers.

Council Member Powers stated her support of the resolution. She said it would be advantageous to start dialogue to express the City's determination to make the funding a part of trying to decrease ratepayer costs for a regional system.

Mayor Nesbitt said if the Council does not join the regional sewer, he would ask if some of the money could be used for the local sewer plant. Council Member Snyder responded. He said it is only by regionalization that long term benefits become applicable, reclaimed water and improvements to the watershed.

By **RESOLUTION 08-144** support the use of a portion of the Middle Fork Project Funds for regional sewer programs. **MOTION: Holmes/Snyder/**  
**Approved 5:0**

9. **Council Discussion**

The City Council allowed for the regularly scheduled City Council meeting to be held November 24, 2008 and cancelled the meeting of December 22, 2008 due to the holiday week.

It was decided to have a regularly scheduled City Council meeting at 5:00 p.m. on December 8, 2008. It will be followed by a Special Council meeting for City Council reorganization.

### **ADJOURNMENT**

Mayor Nesbitt, without objection, adjourned to meeting of Auburn Urban Development Authority at 7:55 p.m.

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Keith Nesbitt, Mayor

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Joseph G. R. Labrie, City Clerk